



PURCHASE TERMS INDONESIA

CONDITIONS OF PURCHASE - PT REHAU INDONESIA

Supplier declaration certificate of origin

By accepting this Purchase Order the Seller undertakes to facilitate the inspection of certificates of origin and supplier declaration by the customs authorities, and to provide the appropriate necessary information for these, as well as producing any necessary official verification (information sheets). Furthermore, the Seller undertakes to indemnify the Buyer against any loss caused by the fact that the declared origin is not accepted by the responsible authorities.

1. Quality

All deliveries of goods made under the Purchase Order must be of the quality specified or, if none be specified of good quality and in accordance with the specification, drawing, design and type ordered, and if ordered by sample be in accordance with the sample. All goods shall be fit and suitable for the purpose intended, of merchantable quantity, of good material and workmanship, and free from any defect of any nature whatsoever. All goods must comply with Buyer's stated and implied quality needs.

2. Quantity

The Seller shall not deliver to Buyer goods in excess of the quantity of goods ordered or to be released under the provisions of the Purchase Order without prior written consent from the Buyer. If goods in excess of the quantity ordered or to be released are delivered by the Seller to the Buyer, the Buyer may refuse such delivery of excess goods and may return the excess goods at the expense and risk of the Seller and the Buyer shall under no circumstances be liable for any damage caused to any such excess goods or to pay for the same. If the Seller shall produce goods or acquire raw materials in excess of the release requirements given from time to time by the Buyer to the Seller this shall be at the Seller's own risk entirely and without any liability on the part of the Buyer under clause 15 hereof or otherwise.

3. Prices

The prices for the goods listed in the Purchase Order are fixed and are not subject to change without the agreement in writing of the Buyer. The Buyer shall not be responsible for the cost of packing, transportation and insurance costs unless the same has been agreed in writing by the Buyer.

4. Time of Delivery

Subject to the provisions of clause 14 hereof failure to deliver the goods, the subject of the Purchase Order or any instalment thereof or release there under (if to be delivered by instalments or so released) of the quality herein before specified and on the delivery date specified in the Purchase Order in any release authorization made in accordance with the Purchase Order shall, at the Buyer's option, to be exercised by notice in writing by the Buyer to the Seller, relieve the Buyer of any obligation to accept and pay for such goods and upon failure to deliver as specified as aforesaid the Buyer may buy elsewhere and/or terminate the whole Purchase Order. Any failure by the Buyer to exercise this option with respect to any instalment or release shall not be deemed to constitute a waiver with respect to any subsequent instalment or release. In relation to failure to deliver as specified at aforesaid time shall be deemed to be of the essence of the contract.

5. Variations

The conditions of the Purchase Order and the prices stated therein shall not be amended except with the written consent of the Buyer.

6. Inspection

The Buyer shall be entitled to inspect all goods delivered by the Seller pursuant to this or any contract and thereafter to elect whether to accept such goods. Until the Buyer has elected to accept such goods, the goods shall be at the sole risk of the Seller and the property thereto shall remain in the Seller. Risk and property shall only pass to the Buyer upon the Buyer elect to accept the goods. If the Buyer elects to reject the goods, the goods will be returned to the Seller at the Seller's expense. If no notification of rejection is received by the Seller within 2 months of actual delivery of the goods to the Buyer (delivery to a carrier not being deemed to be delivery to the Buyer), the Buyer shall be deemed to have accepted the goods.

7. Official Order

The Buyer will not accept liability for Purchase Orders or releases or be deemed to have given a Purchase Order or release authorization unless issued on the Buyer's Purchase Order or release authorization form. All Purchase Orders must be duly signed by or on behalf of the Buyer by an authorized officer of the Buyer and any variations must be so authorized.

8. Patterns, dies and moulds

All patterns, drawings and data supplied by the Buyer shall be returned by the Seller to the Buyer on completion of the Purchase Order. The dies and/or moulds used by the Seller in the manufacture of the goods the subject of the Purchase Order (if any) become the Buyer's property and shall be retained by the Seller in good condition for use only in the manufacture of goods for the Buyer and are not to be used for any other purpose other than orders placed by the Buyer. They shall be delivered up to the Buyer on demand. If damaged or destroyed on the Seller's premises, they shall be replaced or repaired at the Seller's expense.

9. Patents and trade marks

The Seller warrants that goods and parts of goods not of the Buyer's design do not infringe any patent, trade mark, registered design or any other like protection or the provisions of any statutory instruments or regulation for the time being in force in any country and agrees to indemnify and hold harmless the Buyer against all judgments, decrees, costs and expenses resulting from any infringement and agrees that Seller shall upon receipt of a request from the Buyer and the Seller's own expense defend or assist in the defence of any action which may be brought against the Buyer or those selling or using any of the Buyer's products by reason of any such infringement or alleged infringement.

In no case will the Buyer be under any liability to the Seller in respect of any actual or alleged infringement of patent or other rights of third parties in relation to the supplies specified herein, their manufacture or testing except to the extent, if any, that such infringement or alleged infringement occurs by reason at the Buyer's design or manufacturing or testing methods specified by the Buyer.

10. Indemnity

The Seller shall fully and promptly indemnify the Buyer in respect of any personal injury or death of any person or any property loss or damage, including direct or indirect damage (such as loss of profit, business and production and similar or other consequential loss) arising from or in any way connected, with the quantity or condition of the goods or any failure or delay in any delivery thereof. The Seller shall also fully and promptly indemnify the Buyer's against any loss or damage sustained by the Buyer resulting from the negligence of the Seller, its servants or agents.

11. Assignment

The seller shall not without the Buyer's prior consent in writing assign, transfer or make over the Purchase Order or make any sub-contract in respect thereof to any third party.

12. Advertisement

The Purchase Order or the supply of the goods the subject of the same or any matter arising there from shall not without the Buyer's written consent be used in any way for purposes of advertisement nor shall any of them without the like consent be disclosed to any third party in connection with photographs, articles or any other publication relating to the goods ordered; The Seller shall be obliged to treat this order and all work in connection there with as trade secret and strictly confidential.

13. Incorrect delivery

The Seller shall be liable for any expenses arising through erroneous addressing or non-compliance with the instruction on the Purchase Order and any amounts paid by the Buyer may be deducted from any sum due or to become due to the Seller.

14. Act of God

Neither party hereto shall be liable for failure to perform the contract if occasioned by act of God, war, riot, or civil commotion, act of sabotage or subversive activity, fire, flooding pestilence, explosion or other catastrophes, lockouts or labour disputes or stoppages of any kind or other cause beyond their control and if the Seller's failure to perform this contract is due to any of the foregoing reasons the Buyer may obtain the goods elsewhere and the amount of the goods comprised in the Purchase Order shall be reduced accordingly by the amount of goods purchased by the Buyer elsewhere during the period of the such failure of supply by the Seller.

15. Termination

The Buyer may at any time in its absolute discretion terminate the contract in whole or in part by notice in writing and upon such termination the Seller shall cease all further work under this contract and terminate all orders directly relating thereto. The Buyer shall pay to the Seller the price (if unpaid) under this order for all work actually completed and the reasonable cost of all work actually incurred by the Seller in carrying out this order to the date of such termination provided such cost are directly attributed thereto. The Seller shall do its best to minimize all such expenses, and if any work has been subcontracted with the Buyer's consent shall ensure that this condition is part of

any sub-contract. The Seller shall also ensure a similar clause is inserted in any contract for the supply of materials. This clause is not applicable if the contract is terminated under any other provision herein contained, and no claim under this clause shall be entertained after the expiration of two months from the date of such termination. The Buyer's liability under the terms of this clause shall be limited to the total amount due under the Purchase Order less all amounts paid and shall in no circumstance exceed this sum. For the purpose of termination the parties hereby waive article 1288 of the Indonesia civil code.

16. Remedies

The remedies hereby reserved shall be in addition to and not in substitution of any other remedies at law and in equity and no waiver of any breach of any term shall constitute a waiver of any other breach or any other term of this contract and in particular notwithstanding the foregoing all conditions or warranties implied by law shall apply to the contract.

17. Acceptance of terms

All orders accepted by the Seller shall be subject to these conditions. Notwithstanding any translation into any language, in case of different interpretation between the two languages, the English version prevails. The Buyer shall not be bound by any terms or conditions of the Seller which are inconsistent with these conditions. Neither the Buyer nor the Seller shall be bound by any variation of these conditions unless the same be agreed in writing by the Buyer and the Seller. No servant or agent of the Buyer other than a director of the Buyer or its purchasing manager has any authority to vary these conditions.

18. Construction

This contract shall be construed in accordance with and governed in every respect by the laws of Indonesia and all actions arising out of or connected with this agreement shall be brought in the courts of Jakarta.